

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA
PHILADELPHIA DIVISION**

In Re: JOSEPH M. FLOOD III Debtor(s) VELOCITY COMMERCIAL CAPITAL, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY Movant v. JOSEPH M. FLOOD III Debtor(s) BERNADETTE FERRELL Co-Debtor KENNETH E. WEST Trustee Respondent(s)	Chapter 13 Case Number: 25-12221-amc
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**MOTION FOR RELIEF FROM AUTOMATIC STAY AND CO-DEBTOR STAY WITH
RESPECT TO PROPERTY: 1501 NORTH 2ND STREET, UNIT 10, PHILADELPHIA, PA
19122-3846**

Velocity Commercial Capital, LLC, a California Limited Liability Company, through its Counsel, Stern & Eisenberg PC, respectfully requests the Court grant its Motion for Relief and §1301 and in support thereof respectfully represents as follows:

1. Movant is Velocity Commercial Capital, LLC, a California Limited Liability Company (hereafter referred to as “Movant”).
2. Debtor(s), Joseph M. Flood (hereinafter, “Debtor(s)”), is/are, upon information and belief, adult individual(s) whose last-known address is 1501 North 2nd Street, Unit 10, Philadelphia, PA 19122-3846.
3. On March 15, 2023, Bernadette Ferrell, executed and delivered a Note in the principal sum of \$262,500.00 to Dyamond Capital Inc, a/an Florida Corporation.
4. As security for the repayment of the Note, Bernadette Ferrell and Joseph Flood III, executed and delivered a Mortgage to Dyamond Capital Inc, a/an Florida Corporation. The Mortgage

was duly recorded in the Office of the Recorder of Deeds in and for Philadelphia County on March 16, 2023 in Book N/A, Page N/A and/or Instrument 54159550.

5. The Mortgage encumbers Debtor's real property located at 1501 North 2nd Street, Unit 10, Philadelphia, PA 19122-3846.
6. By assignment of mortgage, the loan was ultimately assigned to Velocity Commercial Capital, LLC, a California Limited Liability Company.
7. On or about January 13, 2025, an Order Granting Summary Judgment in favor of Movant was entered by the Court of Common Pleas of Philadelphia County under case number 240300458 in the amount of \$358,990.62. A true and correct copy of the Judgment is attached and affixed hereto as Exhibit "A" and is incorporated herein by reference.
8. Per the Judgment, interest will continue to accrue on the Judgment at the monthly rate of \$2,625.00. *See*, Exhibit A.
9. Following entry of the Judgment, a sale of the Property was scheduled to be held on July 1, 2025, but was stayed due to the instant filing.
10. Debtor(s) filed the instant Chapter 13 Bankruptcy on June 2, 2025 and, as a result, any state court proceedings were stayed.
11. It is believed and therefore averred that Debtor(s) filed the instant bankruptcy as an additional delay in order to prevent Movant from proceeding with the state court proceedings or otherwise institute proceedings as allowed under the Mortgage.
12. At present, the current amount due under the Judgment is \$379,990.62, which includes interest through July 2025.
13. In addition, Movant has incurred counsel fees and costs in association with Debtor's default and this motion.
14. Movant avers that there is cause for relief from the Automatic Stay as Debtor is not a Borrower under the Note and possesses no legal or equitable interest in the Property aside from a bare possessory interest.
15. Moreover, as Debtor is not personally liable under the Note, Movant is not adequately protected and is entitled to relief.
16. Movant further avers that there is no equity in the Property and the Plan is not necessary to the effective reorganization of Debtor's Estate.
17. To the extent the Court does not find that relief is appropriate, then Movant requests that the stay be conditioned such that in the event the Debtor(s) fall(s) behind on post-petition payments or trustee payments that Movant may receive relief upon default by the Debtor(s) of the terms of the conditional order.
18. Movant requests that the stay of Bankruptcy Rule 4001(a)(3) be waived.

WHEREFORE, Movant, Velocity Commercial Capital, LLC, a California Limited Liability Company, respectfully requests this Court to grant the appropriate relief under 11 U.S.C. §362 and §1301 from the automatic stay as set forth in the proposed order together with waiver of Bankruptcy Rule 4001(a)(3).

Respectfully Submitted:

Stern & Eisenberg, PC

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Date: July 3, 2025